

NEW JERSEY
DEPARTMENT OF HEALTH AND SENIOR SERVICES
SFY 2012

REQUEST FOR APPLICATION

HEALTH CARE STABILIZATION FUND

I. PURPOSE OF FUNDING

The New Jersey Department of Health and Senior Services announces availability of funds in the form of grants to licensed health care facilities.

The Department will provide financial assistance through temporary grants to qualifying health care facilities that are facing closure or a significant reduction in services due to financial distress in order to ensure maintenance and access to necessary health care services for residents in communities served by the qualifying health care facility.

II. PROGRAM POLICIES AND REQUIREMENTS

The applicant shall clearly delineate the population and community to be served. The applicant must demonstrate how the proposed service will stabilize health care delivery to the target populations/communities.

The applicant shall describe the project in discrete terms to allow for grant funds to be assigned to a specific project with identified needs assessment and objectives, evaluation methods, and cost.

III. PROPOSAL ELIGIBILITY AND TARGET COMMUNITY

A. Eligibility

For SFY12 the Health Care Stabilization Fund is available to New Jersey

licensed health care facilities.

B. Target Community

The applicant shall clearly delineate the population and community to be served. The applicant must demonstrate how the proposed service will maintain health care delivery to the target populations/communities.

**HEALTH SERVICE GRANT APPLICATION AND
ATTACHMENTS**

The Department of Health and Senior Services (DHSS) requires all grant applications to be submitted electronically through our System for Administering Grants Electronically (SAGE). There are two tracks for grantees applying through SAGE. The first track is for those applicants who have never registered or applied for grants electronically with the Department of Health and Senior Services or with another department using SAGE. The second track is for grantees that are registered and/or have already applied for grants through DHSS or with another department.

General Information

Track 1 new user

1. All individuals using SAGE must be registered in SAGE.
2. You only register as a user one time.

3. The authorized official for your agency will need to approve you as a user.
4. The authorized official must be validated by the DHSS Administrator before other actions can be taken. Contact your program management officer.
5. Authorized officials can change user approval levels for personnel within their organization.
6. All organization applying for grants must be registered in SAGE, have a federal employer identification number, and a DUN number. Contact your GMO or DHSS Administrator with questions
7. Your organization must be made eligible to apply for a grant in order to complete an application. Contact your program management officer if you are cannot access the application.
8. To add additional information and documents required to be submitted with your application, go to the Miscellaneous Attachments found in the application's grant forms.
9. If you know the vendor number and address used for payments by the state, you may enter that data. If you are not sure or have never done business with the state contact you grants management officer.
10. If you have any problems, or questions, with the grant application you should contact your program management officer or grants management officer.

Track 1 current user

1. Each year your organization must be made eligible to apply for a grant in order to complete an application. If you cannot access the grant application you should contact your PMO.
2. Most information should be brought over from your prior year's grant award. Be sure to make necessary updates and changes in all forms and certifications.

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The Cost Summary and Budget are generated from information entered into other schedules.

- a. The line item budget must show the allocation of grant funds;
- b. The line item budget must show, in separate columns, the total amount of funds requested from the Department of Health and Senior Services and the amount of funds, if any, from other sources that are being allocated to this application.

- c. Although there is no matching fund requirement for these grants, the applicant must demonstrate that sufficient resources are committed to the project to ensure on-going operations.

B. Health Care Stabilization Fund Application

Project Narrative requirements shall consist of sections as follows not to exceed 20 pages:

1. Need/Justification statement – describe the essential health care service(s) in danger of being rendered inaccessible at the facility and whether or not such essential services are sufficient and reasonably accessible to the facility’s community from other nearby facilities. Describe activities to improve access to primary health care services, to improve the population’s health status, to decrease health disparities among sub-groups of the populations being served, to decrease reliance on hospital emergency department services for non-emergent conditions, and to decrease hospitalizations for ambulatory sensitive admissions.
2. Extraordinary Circumstances – describe the extraordinary circumstances that threaten access to those essential health care service(s) to residents in the facility’s community.
3. Alternatives – explain how individuals in the facility’s community will be without ready access to essential health care services in the absence of the award of a grant from the fund. Identify

mechanisms to improve access to primary health care services at appropriate level of utilization of health care services in the community, improve the population's health status, decrease health disparities among sub-groups of the populations being served, decrease reliance on hospital emergency department services for non-emergent conditions and improve, and decrease hospitalizations for ambulatory sensitive conditions.

4. Other Sources – explain why funding is unavailable from other sources to preserve or provide essential health care service(s), including funding from the facility's parent organization, affiliates, related foundations, and other sources.
5. Stabilization – explain how a grant from the fund is likely to stabilize access to the essential health care service(s) and improve access to primary health care services in the community.
6. Continuation – explain how the essential health care service(s) will be maintained upon the termination of the grant including financial projections. Facilities that were awarded stabilization funds in any prior fiscal year shall demonstrate how a stabilization grant has effectively provided assistance in maintaining access and how the current application relates to the continuation of services or access. The facility must explain how that funding was used to stabilize access to care, how each condition placed on the funding was met and why additional funding is being request despite past support.

C. HEALTH CARE STABILIZATION FUND MANDATORY

DOCUMENTATION

1. The facility's most recent 2 years of audited financial statements and the accompanying auditor opinion.
2. The facility's current unaudited quarterly financials for each quarter since the audited financial statements up until the quarter ending June 30, 2011.
3. The facility's current year budget with a comparison through June 30, 2011 to actual financial performance.
4. Any operational audits/analysis (both internal and external and consultant reports and recommendations prepared in the last two years.
5. The most recent 2 years of salary history and any bonus paid, or additional compensation either monetary or in-kind, to CEO and for all managers or executives with salary of \$100,000 or more.
6. Description of any services or clinics eliminated in the last year and the alternatives provided to maintain access.
7. Describe any reductions in staffing, employee salary or benefit reductions, or other employee cost saving initiatives or concessions implemented in the last year by number and job titles affected.

8. Copy of the agenda and materials presented at the annual meeting and list names of Board Members and Management representing the facility.
9. Continuing education courses offered to the governing board in 2011.
10. Estimated monthly cash flows for the next 24 months.
11. Any recent appraisals of property owned by the facility.
12. Most recent payer mix analysis, identify the number and percentage of uninsured or underinsured patients including charity care, Medicaid, Medicare and self pay patients.
13. Document expenditures on outside consultants, including but not limited to lawyers, lobbyists, business operation, and public relations professionals and summary of services provided for 2010 and 2011.
14. Describe applicant's process/efforts to enroll patients in public programs including with specificity the payor mix for the previous 24 months.

D. GENERAL REQUIREMENTS

All grantees awarded funding through this process must:

1. Be licensed by the New Jersey Department of Health and Senior

Services as a licensed health care facility ;

2. Demonstrate extraordinary circumstances threaten access to essential health services for residents in a community;
3. Describe how persons in a community will be without ready access to essential health care services in the absence of the award of the grant;
4. Demonstrate that funding is unavailable from other sources to preserve or provide essential health care services;
5. Demonstrate that the grant is likely to stabilize the financial viability of the facility, access to the essential health care services, and improve access to primary health care services in the community;
6. Demonstrate that there is a reasonable likelihood that the health care facility will sustain essential health care services upon the termination of the grant;
7. Provide data concerning services provided to uninsured and underinsured persons;
8. Demonstrate adequate progress toward implementation of services within six (6) months of a grant award;
9. Demonstrate how grant funds will augment and not supplant already available funds and in-kind resources to provide necessary health care services in the community; and
10. Present a reasonable and accurate budget based on the proposed activities. It is expected that the budget presented will be reasonable and appropriate based on the scope of the services to be provided

and the number of persons to be served.

E. FUNDING INFORMATION

A total of approximately \$30,000,000 will be available to support health care stabilization activities. The minimum award shall be \$1,000,000.

Amount of the awards will vary based on need. Funds are provided through a State appropriation in SFY 2012 and will be awarded through a health service grant to the approved applicant. The project period for the health care stabilization fund will end on June 30, 2012. The applicant must include information on how the facility will sustain services after the end of the funding period, June 30, 2012.

There is no matching funds requirement. However, the degree of facility commitment to the project, as evidenced by the contribution of organizational resources will be taken into consideration when awarding the funding.

The DHSS reserves the right to discontinue any health care stabilization funding for failure to meet grant requirements and/or timelines.

V. GRANT SUBMISSION INFORMATION

This is a competitive grant application process. The application must be filed electronically no later than 11:59 p.m. on January 20, 2012.

Applications received by the deadline will be reviewed for compliance with RFA requirements by Department staff.

VI. REVIEW PROCESS

- A. Proposals that meet the requirements will be ranked based on the criteria and receive preliminary approval.
- B. Facilities approved for funding will be awarded grants based upon the ranking and availability of funding.
- C. Facilities approved for funding will be awarded a Health Service Grant.
- D. Upon final approval and budget negotiation agreement, an agency will receive notification of grant award.
- E. The Attachment C of the Health Service Grant will detail the terms and conditions of the health care stabilization funding including, but not limited to:
 - 1. Regular and enhanced financial reporting to the Department of Health and Senior Services, or its designee, possibly including weekly or monthly meetings with management to review dashboard reports demonstrating how the grant funds are being used and how the facility is performing compared to projections.
 - 2. The Commissioner may appoint a designee to attend any meeting of the facility's governing board, the governing board of the facility's parent organization, and any committee meeting deemed appropriate by the Commissioner, including but not limited to the finance committee, the planning committee and any turnaround, steering or reorganization committee.

3. The Commissioner may appoint a designee as a voting member of the facility's governing body.
4. The Commissioner may require the facility to engage a consultant to prepare a report evaluating the operations, management and governance of the facility along with recommendations for improvements, and may further require that the facility implement or engage a consultant (at the Commissioner's discretion) to implement any or all of the recommendations resulting from the consultant's report.
5. The Commissioner may require the facility demonstrate improvements in operational and quality standards.
6. The Commissioner may require the facility to enhance its efforts to enroll uninsured patients in public programs.

F. The grant project period and budget period will be January 1, 2012 to June 30, 2012.

G. Review Criteria (100 Points)

Criteria	Points
Identify hospital closure or reduction of service. Describe alternatives to provide access or activities to improve access to primary health care services, activities to improve the	30

community's health status, to decrease health disparities among sub-groups of the community being served, to decrease reliance on hospital emergency department services for non-emergent conditions and improve utilization of appropriate level of health care services, and to decrease hospitalizations for ambulatory sensitive admissions.	
Demonstrate extraordinary circumstances creating the need for health care stabilization by describing of the population and community and the facilities' current barriers to service provision.	15
Proposal must identify the population and community to be served.	10
Plans/strategies/activities must be appropriate to stabilize access and/or availability of services including long-term sustainability of the facility and be directed to the target population and ensure access to health care services in the community.	10
Specific activities proposed as part of the health care stabilization fund must be measurable and include a reasonable time frame for outcomes to be achieved.	10
Document demonstrated efforts to improve efficiencies and facility management and governance.	10

The proposed project must be appropriate and reasonable and incorporates a budget narrative that is complete, comprehensive and provides an explanation for each budget line item.	15
The proposal must include a statement or description of how services will be maintained after June 30, 2012.	Mandatory